

**ASSEMBLY BILL**

**No. 1120**

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**Introduced by Assembly Member Tran**  
**(Coauthors: Assembly Members DeVore, Gaines, Garrick, Jeffries,**  
**Plescia, Sharon Runner, Spitzer, and Strickland)**  
**(Coauthors: Senators Dutton and Harman)**

February 23, 2007

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An act to add and repeal Section 6399 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1120, as introduced, Tran. Sales and use tax: exemptions: disaster preparedness products.

The Sales and Use Tax Law imposes a tax on the gross receipts from the sale of, or the storage, use, or other consumption in this state of, tangible personal property, and provides various exemptions from that tax. Existing law authorizes cities, counties, and cities and counties to impose local sales and use taxes or transactions and use taxes, and provides that exemptions from state sales and use tax are incorporated into those local taxes.

This bill would provide, beginning January 1, 2008, and until January 1, 2011, an exemption from the sales tax for the gross receipts from the retail sale of qualified disaster preparedness products, as defined, purchased during a specified period.

This bill would specify that this exemption does not apply to local sales or transaction and use taxes, unless the governing body of the taxing county, city, or district votes otherwise.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. Section 6399 is added to the Revenue and  
2     Taxation Code, to read:  
3     6399. (a) There are exempted from the computation of the  
4     amount of the sales tax the gross receipts from the sale of qualified  
5     disaster preparedness products sold to a purchaser at the retailer's  
6     physical place of business, as provided in subdivision (b).  
7     (b) The exemption authorized under subdivision (a) shall apply  
8     to sales that occur during the nine-day period beginning at 12:01  
9     a.m. on the first Saturday in October and ending at 12:00 midnight  
10    on the second Sunday in October.  
11    (c) For purposes of this section "qualified disaster preparedness  
12    products" include:  
13    (1) Batteries, including rechargeable and nonrechargeable  
14    batteries in AA, C, D, and 6-volt cell sizes, with a retail price that  
15    is not more than forty dollars (\$40). Batteries shall not include  
16    automobile and boat batteries.  
17    (2) First aid kits with a retail price that is not more than forty  
18    dollars (\$40).  
19    (3) Battery-operated emergency beacons with a retail price that  
20    is not more than fifty dollars (\$50).  
21    (4) Gas or diesel fuel containers with a retail price that is not  
22    more than thirty-five dollars (\$35).  
23    (5) Ground anchor systems to secure tarps with a retail price  
24    that is not more than sixty dollars (\$60).  
25    (6) Nonelectrical food storage coolers with a retail price that is  
26    not more than forty dollars (\$40).  
27    (7) Portable generators to provide light, communications, or  
28    preserve perishable food with a retail price of not more than eight  
29    hundred fifty dollars (\$850).  
30    (8) Portable self-powered light sources, including battery  
31    powered flashlights, battery powered lanterns, gas powered  
32    lanterns, and candles with a retail price that is not more than thirty  
33    dollars (\$30).

1 (9) Self-powered and battery-powered radios, including two-way  
2 radios and weather-band radios, with a retail price of not more  
3 than sixty dollars (\$60).

4 (10) Tarpaulins with a retail price of not more than sixty dollars  
5 (\$60).

6 (11) Tie-down kits, including bungee cords and rope, with a  
7 retail value of not more than sixty dollars (\$60).

8 (d) The exemption provided for by this section also includes  
9 any of the following purchases:

10 (1) Layaway agreements entered into during the period specified  
11 in subdivision (b) for which the purchaser has made a deposit of  
12 at least 10 percent of the sale price of the article.

13 (2) The sale of an article pursuant to an order placed by the  
14 purchaser and paid for in full during the period of exemption  
15 specified in subdivision (b), notwithstanding the fact that delivery  
16 of the article is made subsequent to the period of the exemption.

17 (e) Notwithstanding any provision of the Bradley-Burns Uniform  
18 Local Sales and Use Tax Law (Part 1.5 (commencing with Section  
19 7200)) or the Transactions and Use Tax Law (Part 1.6  
20 (commencing with Section 7251)), the exemption established  
21 herein does not apply with respect to any tax levied by a county,  
22 city, or district pursuant to, or in accordance with, either of these  
23 laws, unless the governing body of the county, city, or district  
24 votes to have the exemption apply.

25 (f) This section shall become operative on January 1, 2008, and  
26 shall remain in effect only until January 1, 2011, and as of that  
27 date is repealed, unless a later enacted statute, that is enacted  
28 January 1, 2011, deletes or extends that date.

29 SEC. 2. The governing body of any county, city, or district  
30 that votes to allow the exemption provided in Section 6399 of the  
31 Revenue and Taxation Code, shall notify the State Board of  
32 Equalization on or before August 15 of each year.

33 SEC. 3. This act provides for a tax levy within the meaning of  
34 Article IV of the Constitution and shall go into immediate effect.